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PUBLIC SCHOOL LAWS OF NORTH CAROLINA--COMMUNITY COLLEGES, TECHNICAL INSTITUTES, AND INDUSTRIAL EDUCATION CENTERS. CHAPTER 115A, GENERAL STATUTES OF NORTH CAROLINA, INCLUDING AMENDMENTS ADOPTED BY THE 1965 AND 1967 GENERAL ASSEMBLIES.

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CHAPTER 115A OF THE GENERAL STATUTES OF NORTH CAROLINA PROVIDES FOR THE STATE'S COMMUNITY COLLEGES, TECHNICAL INSTITUTES, AND INDUSTRIAL EDUCATION CENTERS. IT INCLUDES THE FOLLOWING ARTICLES--(1) GENERAL PROVISIONS FOR STATE ADMINISTRATION, (2) LOCAL ADMINISTRATION, (3) FINANCIAL SUPPORT, (4) BUDGETING, ACCOUNTING, AND FISCAL MANAGEMENT, (5) SPECIAL PROVISIONS, AND (6) OPERATION OF THE TEXTILE TRAINING SCHOOL. THE DOCUMENT INCLUDES THE LEGISLATION ENACTED IN 1963, WITH THE 1965 AND 1967 REVISIONS. (WO)

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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PUBLIC SCHOOL LAWS OF NORTH CAROLINA

COMMUNITY COLLEGES

TECHNICAL INSTITUTES

AND

INDUSTRIAL EDUCATION CENTERS

(Chapter 115A, General Statutes of North Carolina)

Including

Amendments Adopted By

The 1965 and 1967 General Assemblies

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Chapter 115A.

Community Colleges, Technical Institutes, and Industrial Education Centers.

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ARTICLE 1.

General Provisions for State Administration.

§ 115A-1. Statement of purpose.—The purposes of this chapter are to provide for the establishment, organization, and administration of a system of educational institutions throughout the State offering courses of instruction in one or more of the general areas of two-year college parallel, technical, vocational, and adult education programs, to serve as a legislative charter for such institutions, and to authorize the levying of local taxes and the issuing of local bonds for the support thereof. (1963, c. 448, s. 23.)

Editor's Note.—The act inserting this chapter became effective July 1, 1963.

§ 115A-2. Definitions.—As used in this chapter:

(1) The term "State Board of Education" refers to the State Board of Education as established and described in article IX, § 8, of the Constitution of North Carolina.

(2) The term "community college" is defined as an educational institution operating under the provisions of this chapter and dedicated primarily to the educational needs of the particular area for which established, and

a. which offers the freshman and sophomore courses of a college of arts and sciences,
b. which may offer organized curricula for the training of technicians,
c. which may offer vocational, trade, and technical specialty courses and programs, and
d. which may offer courses in general adult education.

(3) The term "technical institute" is defined as an educational institution operating under the provisions of this chapter and dedicated primarily to the educational needs of the particular area for which established, and

a. which offers organized curricula for the training of technicians,
b. which may offer vocational, trade, and technical specialty courses and programs, and
c. which may offer courses in general adult education.

(4) The term "industrial education center" is defined as an educational institution operating under the provisions of this chapter and dedicated primarily to the educational needs of the area for which established, and

a. which offers vocational, trade, and technical specialty courses and programs, and
b. which may offer courses in general adult education.

(5) The term "institution" refers to a community college, a technical institute, or an industrial education center.

(6) The "administrative area" of an institution comprises the county or counties directly responsible for the local financial support and local administration of such institution as provided in this chapter.

(7) The "tax levying authority" of an institution is the board of commissioners of the county or all of the boards of commissioners of the counties, jointly, which constitute the administrative area of the institution. (1963, c. 448, s. 23.)

§ 115A-3. State Board of Education to establish department to administer system of educational institutions.—The State Board of Education is authorized to establish and organize a department to provide State-level administration, under the direction of the Board, of a system of community colleges, technical institutes, and industrial education centers, separate from the free public school system of the State. The Board shall have authority to adopt and administer all policies, regulations, and standards which it may deem necessary for the establishment and operation of the department. The personnel of the department shall be governed by the same policies as the personnel of the other departments of the Board of Education and shall be subject to the provisions contained in article 2, chapter 143 of the General Statutes; except the position of the director or chief administrative officer of the department shall be exempt from the provisions of the State Personnel Act, and the compensation of this position shall be fixed by the Governor, upon the recommendation of the State Board of Education, subject to approval by the Advisory Budget Commission.

The State Board of Education shall appoint an Advisory Council consisting of at least seven members to advise the Board on matters relating to personnel, curricula, finance, articulation, and other matters concerning institutional programs and coordination with other educational institutions of the State. Two members of the Advisory Council shall be members of the North Carolina Board of Higher Education or of its professional staff, and two members of the Advisory Council shall be members of the faculties or administrative staffs of institutions of higher education in this State. (1963, c. 448, s. 23.)

§ 115A-4. Establishment and transfer of institutions.—After the effective date of this chapter, the establishment of all community colleges, technical institutes, and industrial education centers shall be subject to the prior approval of the State Board of Education and each institution shall be established only in accordance with the provisions of this chapter and the regulations, standards, and procedures adopted by the Board not inconsistent herewith. In no case, however, shall approval be granted by the Board for the establishment of an institution until it has been demonstrated to the satisfaction of the Board that a genuine educational need exists within a proposed administrative area, that existing public and private post-high-school institutions in the area will not meet the need, that adequate local financial support for the institution will be provided, that public schools in the area will not be affected adversely by the local financial support required for the institution, and that funds sufficient to provide State financial support of the institution are available.

In approving the request of the board of trustees of an industrial education center for the establishment of an educational program, it shall be a matter of general policy of the State Board of Education to require that it be demonstrated to the satisfaction of the State Board of Education that the educational and occupational needs the proposed program is designed to meet are not already met by similar educational programs maintaining standards acceptable to the State Board of Education in other public or private schools in the administrative area of the industrial education center.

In approving the request of the board of trustees of an industrial education center for the establishment of an educational program, it shall be a matter of general policy of the State Board of Education to require that it be demonstrated to the satisfaction of the State Board of Education that the industrial education center is not assuming the continuing responsibility for providing for individual manufacturing firms or corporations the routine training required for regular operator training in the factories of the firm or corporation made necessary because of turnover of personnel.

The State Board of Education and the North Carolina Board of Higher Education shall co-operate in providing for the orderly transferal of the administration and operation of College of the Albemarle, Mecklenburg College, and all other public community colleges designated by the General Assembly, from the provisions of article 3, chapter 116, of the General Statutes of North Carolina to the provisions of this chapter. Such transferal shall be accomplished as provided by this chapter and regulations and procedures adopted jointly by the two boards. The two boards shall also provide by regulation for the transfer, without consideration, of title to all property, funds, and unexpended appropriations of the colleges held heretofore by the boards of trustees of the colleges from such Boards to the respective boards of trustees established pursuant to this chapter.

Provision shall be made for the orderly transferal of the administration and operation of all industrial education centers from local boards of education of the State public school system to boards of trustees established pursuant to this chapter for the purpose of administering and operating such centers as provided in this chapter. Such transferal shall be accomplished as provided by this chapter and regulations and procedures adopted by the State Board of Education. Upon transferal of each industrial education center the local board of education previously operating the center shall transfer, without consideration, title to the property, funds, and unexpended appropriations heretofore held by such board for the center to the board of trustees established for the center pursuant to this chapter. Provided, if an industrial education center ceases to operate as an institution, as defined in this chapter, title to real property transferred to a board of trustees from the local board of education, previously operating the center, shall revert to such board of education, and said board of trustees shall thereupon, by proper instrument, convey the same to such board of education. Where plans are being made to relocate an existing industrial education center by moving it from buildings on or adjacent to a senior high school campus, the State Board of Education may designate the local board of education now operating the industrial education center as the board of trustees for the continued operation of the industrial education center until such time as the industrial education center is so relocated; and the board of trustees provided for in this chapter may be appointed to develop the new or reorganized institution but shall not have control of the existing industrial education center until it is transferred to the new site.

The approval of any new institution, or the conversion of any existing institution into a new type of institution, or the expenditures of any State funds for any capital improvements at existing institutions shall be subject to the prior approval of the Governor and the Advisory Budget Commission. The expenditure of State funds at any institution herein authorized to be approved by the Board shall be subject to the terms of the Executive Budget Act unless specifically otherwise provided in this chapter. (1963, c. 448, s. 23; 1965, c. 1028.)

Cross Reference. — As to the effective date of this chapter, see note to § 115A-1.

Editor's Note. — The 1965 amendment added the last paragraph.

§ 115A-5. Administration of institutions by State Board of Education; personnel exempt from State Personnel Act; use of existing public school facilities.—The State Board of Education may adopt and execute such policies, regulations and standards concerning the establishment and operation of institutions as the Board may deem necessary to insure the quality of educational

programs, to promote the systematic meeting of educational needs of the State, and to provide for the equitable distribution of State and federal funds to the several institutions

The State Board of Education shall establish standards and scales for salaries and allotments paid from funds administered by the Board, and all employees of the institutions shall be exempt from the provisions of the State Personnel Act. The Board shall have authority with respect to individual institutions: To approve sites, buildings, building plans, budgets; to approve the selection of the chief administrative officer; to establish and administer standards for professional personnel, curricula, admissions, and graduation; to regulate the awarding of degrees, diplomas, and certificates; to establish and regulate student tuition and fees and financial accounting procedures.

On petition of the board of education of the school administrative unit in which an institution is proposed to be established, the State Board of Education may approve the utilization by such proposed institution of existing public school facilities, if the Board finds:

(1) That an adequate portion of such facilities can be devoted to the exclusive use of the institution, and

(2) That such utilization will be consistent with sound educational considerations. (1963, c. 448, s. 23.) (See 1967 change on page 21)

§ 115A-6. Withdrawal of State support.—The State Board of Education may withdraw or withhold State financial and administrative support of any institutions subject to the provisions of this chapter in the event that:

(1) The required local financial support of an institution is not provided;

(2) Sufficient State funds are not available;

(3) The officials of an institution refuse or are unable to maintain prescribed standards of administration or instruction; or

(4) Local educational needs for such an institution cease to exist. (1963, c. 448, s. 23.)

ARTICLE 2.

Local Administration.

§ 115A-7. Each institution to have board of trustees; selection of trustees.—(a) Each community college and technical institute established or operated pursuant to this chapter shall be governed by a board of trustees consisting of twelve members, who shall be selected by the following agencies.

Group One—four trustees, elected by the board of education of the public school administrative unit located in the administrative area of the institution. If there are two or more public school administrative units, whether city or county units, or both, located within the administrative area, the trustees shall be elected jointly by all of the boards of education of those units, each board having one vote in the election of each trustee, except as provided in § 115A-37.

Group Two—four trustees, elected by the board of commissioners of the county in which the institution is located. Provided, however, if the administrative area of the institution is composed of two or more counties, the trustees shall be elected jointly by the boards of commissioners of all those counties, each board having one vote in the election of each trustee.

Group Three—four trustees, appointed by the Governor.

(b) Each industrial education center established or operated pursuant to this chapter shall be governed by a board of trustees consisting of eight members, four of whom shall be selected by the agencies provided for Group One in subsection (a) above and four by the agencies provided for Group Two above.

(c) All trustees shall be residents of the administrative area of the institution for which they are selected or of counties contiguous thereto.

(d) Vacancies occurring in any group for whatever reason shall be filled for the remainder of the unexpired term by the agency or agencies authorized to select trustees of that group and in the manner in which regular selections are made. Should the selection of a trustee not be made by the agency or agencies having the authority to do so within sixty (60) days after the date on which a vacancy occurs, whether by creation or expiration of a term or for any other reason, the Governor shall fill the vacancy by appointment for the remainder of the unexpired term. (1963, c. 448, s. 23.)

§ 115A-8. Term of office of trustees.—Trustees shall serve for terms of eight (8) years, except that initially:

(1) For all industrial education centers and technical institutes and for those community colleges for which boards of trustees first shall be established pursuant to the provisions of this chapter, terms of the members of each board shall be so set by the selecting agencies that the term of a member in each group in § 115A-7 (a), shall expire on June 30 of every other year, the shortest term to expire on June 30 of the next odd-numbered year following the date the Board of trustees is established. Thereafter, all terms shall be eight (8) years and shall commence on July 1.

(2) For those community colleges which hereafter shall be operated pursuant to this chapter but for which the boards of trustees have previously been appointed pursuant to the provisions of article 3, chapter 116, of the General Statutes, all trustees previously appointed and currently serving shall continue to serve until the expiration of their respective terms.

a. As the terms of the four trustees previously appointed by the city and/or county boards of education expire, their successors shall be selected by the agencies specified for Group One in § 115A-7, so that a term shall expire on June 30 of every other year, the shortest term to expire on June 30 of the next odd-numbered year following the date the successors are appointed. Thereafter, all terms shall be eight (8) years and shall commence July 1.

b. As the terms of the four trustees previously appointed by the governing board of the municipality and/or the board of commissioners expire, their successors shall be selected by the agencies specified for Group Two in § 115A-7, so that a term shall expire on June 30 of every other year, the shortest term to expire on June 30 of the next odd-numbered year following the date the successors are appointed. Thereafter, all terms shall be eight (8) years and shall commence on July 1.

c. As the terms of the four trustees previously appointed by the Governor expire, their successors shall be appointed by the Governor, so that a term shall expire on June 30 of every other year, the shortest term to expire on June 30 of the next odd-numbered year following the date the successors are appointed. Thereafter, all terms shall be eight (8) years and shall commence on July 1. (1963, c. 448, s. 23.)

§ 115A-9. Board of trustees a body corporate; corporate name and powers; title to property.—The board of trustees of each institution shall be a body corporate with all powers usually conferred upon such bodies to enable it to acquire, hold, and transfer real and personal property, to enter into contracts, to institute and defend legal actions and suits, and to exercise such other rights and privileges as may be necessary for the management and administration of the institution and for carrying out the provisions and purposes of this chapter. The

official title of each board shall be "The Trustees of ....." (filling in the name of the institution) and such title shall be the official corporate name of the institution.

The several boards of trustees shall hold title to all real and personal property donated to their respective institutions or purchased with funds provided by the tax levying authorities of their respective institutions. Title to equipment furnished by the State shall remain in the State Board of Education. In the event that an institution shall cease to operate, title to all real and personal property donated to the institution or purchased with funds provided by the tax levying authorities, except as provided for in § 115A-4, shall vest in the county in which the institution is located, unless the terms of the deed of gift in the case of donated property provides otherwise, or unless in the case of two or more counties forming a joint institution the contract provided for in § 115-37 provides otherwise. (1963, c. 448, s. 23.)

§ 115A-10. Trustees declared to be commissioners for special purpose.—All trustees of institutions in this chapter are declared to be commissioners for special purposes within the meaning of article XIV, § 7, of the Constitution of North Carolina. (1963, c. 448, s. 23.)

§ 115A-11. Compensation of trustees.—Trustees shall receive no compensation for their services but shall receive reimbursement, according to regulations adopted by the State Board of Education, for cost of travel, meals, and lodging while performing their official duties. (1963, c. 448, s. 23.)

§ 115A-12. Organization of boards; meetings. — At the first meeting after its selection, each board of trustees shall elect from its membership a chairman, who shall preside at all board meetings, and a vice-chairman, who shall preside in the absence of the chairman. The trustees shall also elect a secretary, who need not be a trustee, to keep the minutes of all board meetings. All three officers of the board shall be elected for a period of one year but shall be eligible for re-election by the board.

Each board of trustees shall meet as often as may be necessary for the conduct of the business of the institution but shall meet at least once every three (3) months. Meetings may be called by the chairman of the board or by the chief administrative officer of the institution. (1963, c. 448, s. 23.)

§ 115A-13. Removal of trustees.—Should the State Board of Education have sufficient evidence that any member of the board of trustees of an institution is not capable of discharging, or is not discharging, the duties of his office as required by law or lawful regulation, or is guilty of immoral or disreputable conduct, the Board shall notify the chairman of such Board of Trustees, unless the chairman is the offending member, in which case the other members of the board shall be notified. Upon receipt of such notice there shall be a meeting of the board of trustees for the purpose of investigating the charges, at which meeting a representative of the State Board of Education may appear to present evidence of the charges. The allegedly offending member shall be given proper and adequate notice of the meeting and the findings of the other members of the board shall be recorded, along with the action taken, in the minutes of the board of trustees. If the charges are, by an affirmative vote of two-thirds of the members of the board, found to be true, the board of trustees shall declare the office of the offending member to be vacant.

Nothing in this section shall be construed to limit the authority of a board of trustees to hold a hearing as provided herein upon evidence known or presented to it. (1963, c. 448, s. 23.)

§ 115A-14. Powers and duties of trustees.—The trustees of each institution shall constitute the local administrative board of such institution, with such

powers and duties as are provided in this chapter and are delegated to it by the State Board of Education. Included in the powers granted to the trustees are the following:

(1) To elect a president or chief administrative officer of the institution for such term and under such conditions as the trustees may fix, such election to be subject to the approval of the State Board of Education.

(2) To elect or employ all other personnel of the institution upon nomination by the president or chief administrative officer, subject to standards established by the State Board of Education.

(3) To purchase any land, easement, or right-of-way which shall be necessary for the proper operation of the institution, when such site has been approved by the State Board of Education, and, if necessary, to acquire land by condemnation in the same manner and under the same procedures as provided in article 2, chapter 40 of the General Statutes. For the purpose of condemnation, the determination by the trustees as to the location and amount of land to be taken and the necessity therefor shall be conclusive.

(4) To apply to the standards and requirements for admission and graduation of students and other standards established by the State Board of *Education.*

(5) To receive and accept private donations, gifts, bequests, and the like and to apply them or invest any of them and apply the proceeds for purposes and upon the terms which the donor may prescribe and which are consistent with the provisions of this chapter and the regulations of the State Board of Education.

(6) To provide all or part of the instructional services for the institution by contracting with other public or private educational institutions of the State, according to regulations and standards adopted by the State Board of Education.

(7) To perform such other acts and do such other things as may be necessary or proper for the exercise of the foregoing specific powers, including the adoption and enforcement of all reasonable rules, regulations, and bylaws for the government and operation of the institution under this chapter and for the discipline of students. (1963, c. 448, s. 23.)

§ 115A-15. State Retirement System for Teachers and State Employees; social security.—Solely for the purpose of applying the provisions of chapter 135 of the General Statutes of North Carolina, "Retirement System for Teachers and State Employees, Social Security," the institutions of this chapter are included within the definition of the term "Public School," and the institutional employees are included within the definition of the term "Teacher," as these terms are defined in § 135-1. (1963, c. 448, s. 23.)

§ 115A-16. Workmen's Compensation Act applicable to institutional employees.—The provisions of chapter 97 of the General Statutes of North Carolina, the Workmen's Compensation Act, shall apply to all institutional employees. The State Board of Education shall make the necessary arrangements to carry out those provisions of chapter 97 which are applicable to employees whose wages are paid in whole or in part from State funds. The State shall be liable for compensation, based upon the average weekly wage as defined in the Act, of an employee regardless of the portion of such wage paid from other than State Funds.

The board of trustees of each institution shall be liable for workmen's compensation for employees whose salaries or wages are paid by the board entirely from local public or special funds. Each board of trustees is authorized to purchase

insurance to cover such compensation liability and to include the cost of insurance in the annual budget of the institution.

The provisions of this section shall not apply to any person, firm or corporation making voluntary contributions to institutions for any purpose, and such a person, firm, or corporation shall not be liable for the payment of any sum of money under the provisions of this section. (1963, c. 448, s. 23.)

§ 115A-17. Waiver of governmental immunity from liability for negligence of agents and employees of institutions; liability insurance. — The board of trustees of any institution, by obtaining liability insurance as provided in § 115A-35, is authorized to waive its governmental immunity from liability for the death or injury of person or for property damage caused by the negligence or tort of any agent or employee of the board of trustees when the agent or employee is acting within the scope of his authority or the course of his employment. All automobiles, buses, trucks, or other motor vehicles intended primarily for use on the public roads and highways which are the property of a board of trustees shall be insured at all times with liability insurance as provided in § 115A-35. Governmental immunity shall be deemed to have been waived by the act of obtaining liability insurance, but only to the extent that the board is indemnified for the negligence or torts of its agents and employees and only as to claims arising after the procurement of liability insurance and while such insurance is in force. (1963, c. 448, s. 23.)

§ 115A-17.1. Purchase of annuity or retirement income contracts for employees. — Notwithstanding any provision of law relating to salaries and/or salary schedules for the pay of faculty members, administrative officers, or any other employees, of community colleges, technical institutes or industrial education centers, the board of trustees of any of the above institutions may authorize the business officer or agent of same to enter into annual contracts with any of the above officers, agents and employees which provide for a reduction in salary below the total established compensation or salary schedule for a term of one (1) year. The financial officer or agent shall use the funds derived from the reduction in the salary of the officer, agent or employee to purchase a nonforfeitable annuity or retirement income contract for the benefit of said officer, agent or employee. An officer, agent or employee who has agreed to a salary reduction for this purpose shall not have the right to receive the amount of the salary reduction in cash or in any other way except the annuity or retirement income contract. Funds used for the purchase of an annuity or retirement income contract shall not be in lieu of any amount earned by the officer, agent or employee before his election for a salary reduction has become effective. The agreement for salary reductions referred to herein shall be effected under any necessary regulations and procedures adopted by the State Board of Education and on forms prepared by the State Board of Education. Notwithstanding any other provisions of this section or law, the amount by which the salary of any officer, agent or employee is reduced pursuant to this section shall not be excluded, but shall be included, in computing and making payroll deductions for social security and retirement system purposes, and in computing and providing matching funds for retirement system purposes. (1965, c. 366.)

ARTICLE 3.

Financial Support.

§ 115A-18. State financial support of institutions. — (a) The State Board of Education shall be responsible for providing from sources available to the Board funds to meet the financial needs of institutions, as determined by policies and regulations of the Board, for the following budget items:

(1) Capital outlay: Furniture and equipment for administrative and instructional purposes, new library books, and other items of capital outlay approved by the Board. Provided, the State Board of Education may, on an equal matching fund basis from appropriations made by the State for the purpose, grant funds to individual community colleges and technical institutes, including those converted from industrial education centers, for the purchase, construction and remodeling of institutional buildings determined by the State Board of Education to be necessary for the instructional programs or administration of such institutions. For the purpose of determining amounts of matching State funds, local funds shall include local expenditures made prior to the enactment of this chapter or prior to an institution becoming a community college or technical institute pursuant to the provisions of this chapter, when such expenditures were made for the purchase, construction, and remodeling of institutional buildings subsequently determined by the State Board of Education to be necessary as herein specified, and provided such local expenditures have not previously been used as the basis for obtaining matching State funds under the provisions of this chapter or any other laws of the State. The State Board of Education shall not grant funds in an aggregate amount in excess of five hundred thousand dollars ($500,000) to any single institution for capital or permanent improvements, such maximum amount to include all matching State funds previously granted under the laws of this State to an institution for capital or permanent improvements.

(2) Current expenses:

a. General administration:
   1. Salaries and travel of trustees and administrative staff.
   2. Cost of bonding institutional employees for the protection of State funds and property.
   3. Office expenses.
   4. Other costs of general administration approved by the Board.

b. Instructional services:
   1. Salaries and travel of instructional staff and clerical employees.
   2. Instructional supplies and materials.
   3. Commencement expenses.
   4. Other costs of instructional services approved by the Board.

c. Maintenance of plant: Maintenance and replacement of furniture and equipment furnished by the State.

d. Fixed charges:
   1. Employer's contributions to social security and State retirement funds for the portion of institutional employees' salaries paid from State and federal funds.
   2. Cost of workmen's compensation for institutional employees paid in whole or in part from State or federal funds.

e. Auxiliary services:
   1. Operation of libraries, including salaries and travel of staff; replacement of books; and costs of supplies, materials, periodicals, and newspapers.
   2. Other costs of auxiliary services approved by the Board.

(b) The State Board of Education is authorized to accept, receive, use, or reallocate to the institutions any federal funds or aids that have been or may be ap-

propriated by the government of the United States for the encouragement and improvement of any phase of the programs of the institutions. (1963, c. 448, s. 23.)

§ 115A-19. Local financial support of institutions.—(a) The tax levying authority of each institution shall be responsible for providing, in accordance with the provisions of § 115A-20 or § 115A-21, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:

(1) Capital outlay: Acquisition of land; erection of all buildings; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase of all equipment necessary for the maintenance of buildings and grounds and operation of plant; and purchase of all furniture and equipment not provided for administrative and instructional purposes.

(2) Current expenses:

a. General administration:
   1. Cost of bonding institutional employees for the protection of local funds and property.
   2. Cost of auditing local funds.
   3. Cost of elections held in accordance with §§ 115A-20 and 115A-22.
   4. Legal fees incurred in connection with local administration and operation of the institution.

b. Operation of plant:
   1. Wages of janitors, maids, and watchmen.
   2. Cost of fuel, water, power, and telephones.
   3. Cost of janitorial supplies and materials.
   4. Cost of operation of motor vehicles.
   5. Any other expenses necessary for plant operation.

c. Maintenance of plant:
   1. Cost of maintenance and repairs of buildings and grounds.
   2. Salaries of maintenance and repair employees.
   3. Maintenance and replacement of furniture and equipment provided from local funds.
   4. Maintenance of plant heating, electrical, and plumbing equipment.
   5. Maintenance of all other equipment, including motor vehicles, provided by local funds.
   6. Any other expenses necessary for maintenance of plant.

d. Fixed charges:
   1. Rental of land, buildings, and equipment.
   2. Cost of insurance for buildings, contents, motor vehicles, workmen's compensation for institutional employees paid from local funds, and other necessary insurance.
   3. Employer's contribution to retirement and social security funds for that portion of institutional employees' salaries paid from local funds.
   4. And any tort claims awarded against the institution due to the negligence of institutional employees.

(b) The board of trustees of each institution may apply local public funds provided in accordance with § 115A-20 (a) or § 115A-21 (a), as appropriate, or private funds, or both, to the supplementation of items of the current expense budget financed from State funds, provided a supplemental current expense budget is submitted in accordance with § 115A-27 (3). (1963, c. 448, s. 23.)

§ 115A 20. Providing local public funds for institutions established under this chapter; elections.—(a) Except as provided in § 115A-21, the tax

levying authority of an institution may provide for local financial support of the institution as follows:

(1) By appropriations from nontax revenues in a manner consistent with the County Fiscal Control Act, provided the continuing authority to make such appropriations shall have been approved by a majority of the qualified voters of the administrative area who shall vote on the question in an election held for such purpose, and/or

(2) By a special annual levy of taxes within a maximum annual rate which maximum rate shall have been approved by a majority of the qualified voters of the administrative area who shall vote on the question of establishing or increasing the maximum annual rate in an election held for such purpose; and

(3) By issuance of bonds, in the case of capital outlay funds, provided that each issuance of bonds shall be approved by a majority of the qualified voters of each county of the administrative area who shall vote on the question in an election held for that purpose. All bonds shall be subject to the Local Government Act and shall be issued pursuant to the County Finance Act. For the purpose of county debt limitations provided in that act, bonds issued for the purpose of this chapter shall be considered to be "for other than school purposes" as that term is used in §§ 153-84 and 153-87.

(b) At the election on the question of approving authority of the board of commissioners of each county in an administrative area (the tax levying authority) to appropriate funds from nontax revenues and/or a special annual levy of taxes, the ballot furnished the qualified voters in each county may be worded substantially as follows: "For the authority of the board of commissioners to appropriate funds either from nontax revenues or from a special annual levy of taxes not to exceed an annual rate of ..... cents per one hundred dollars ($100.00) of assessed property valuation, or both, for the financial support of ..... (name of the institution)" plus any other pertinent information and "Against the authority of the board of commissioners, etc.," with a square before each proposition, in which the voter may make a cross mark (X), but any other form of ballot containing adequate information and properly stating the question to be voted upon shall be construed as being in compliance with this section.

(c) The question of approving authority to appropriate funds and/or to levy special taxes and the question of approving an issue of bonds, when approval of each shall be necessary for the establishment or conversion of an institution, shall be submitted at the same election.

(d) All elections shall be held in the same manner as elections held under article 9, chapter 153, of the General Statutes of North Carolina, the County Finance Act, and may be held at any time fixed by the tax levying authority of the administrative area or proposed administrative area of the institution for which such election is to be held.

(e) The State Board of Education shall ascertain that authority to provide adequate funds for the establishment and operation of an institution has been approved by the voters of a proposed administrative area before granting final approval for the establishment of an institution. (1963, c. 448, s. 23.)

§ 115A-21. Providing local public funds for institutions previously established.—(a) For counties in which, immediately prior to the enactment of this chapter, there was in operation or authorized a public community college or industrial education center which hereafter shall be operated pursuant to the provisions of this chapter, the following provisions shall apply in providing local financial support for each such institution:

(1) Community colleges: The board of commissioners of a county in which is located a public community college heretofore operated or authorized

to operate pursuant to article 3, chapter 116, of the General Statutes of North Carolina, may continue to levy special taxes annually for the local financial support of the college provided in § 115A-19, to the maximum rate last approved by the voters of the county in accordance with the above article. The board of commissioners may also provide all or part of such funds by appropriations, in a manner consistent with the County Fiscal Control Act, from nontax revenues. The question of increasing the maximum annual rate of a special tax may be submitted at an election held in accordance with the provisions of § 115A-20 (d) and the appropriate provisions of § 115A-22.

(2) Industrial education centers: The board of commissioners of a county in which is located an industrial education center heretofore operated or authorized to operate as part of the public school system and which hereafter shall be operated as an industrial education center or technical institute as defined in this chapter, may levy special taxes annually at a rate sufficient to provide funds for the financial support of the center or institute required by § 115A-19 (a). The board of commissioners may also provide all or part of such funds by appropriations, in a manner consistent with the County Fiscal Control Act, from nontax revenues. The board of commissioners is authorized to provide additional funds, either by special tax levies or by appropriations from nontax revenues, or both, to an amount equal to that required to be provided above, for the purpose of supplementing the current expense budget of the center or institute financed from State funds.

(b) The board of commissioners of a county in which is located one of the above public community colleges or industrial education centers may provide funds for capital outlay for such institution by the issuance of bonds. All bonds shall be issued in accordance with the appropriate provisions of §§ 115A-20 and 115A-22.

(c) Public funds provided a community college or industrial education center prior to its becoming subject to the provisions of this chapter and which remain to the credit of the institution upon its becoming subject to these provisions, shall be expended only for the purposes prescribed by law when such funds were provided the institution. (1963, c. 448, s. 23; 1965, c. 842, s. 1.)

Editor's Note. — The 1965 amendment made subdivision (2) of subsection (a) applicable to technical institutes.

Section 2, c. 842, Session Laws 1965, provides: "All expenditures of funds heretofore expended by counties for local financial support for institutions which have been converted from industrial education centers to a technical institute are hereby ratified, validated and confirmed."

§ 115A-22. Requests for elections to provide funds for institutions. —(a) Formal requests for elections on the question of authority to appropriate nontax revenues and/or levy special taxes and to issue bonds, when such elections are to be held for the purpose of establishing an institution, shall be originated and submitted only in the following manner:

(1) Proposed multiple-county administrative areas: Formal requests for elections may be submitted jointly by all county boards of education in the proposed administrative area, or by petition of fifteen per cent (15%) of the number of qualified voters of the proposed area who voted in the last preceding election for Governor, to the boards of commissioners of all counties in the proposed area, who may fix the time for such election by joint resolution which shall be entered in the minutes of each board.

(2) Proposed single-county administrative area: Formal requests shall be submitted by the board of education of any public school administrative unit within the county of the proposed administrative area or by

petition of fifteen per cent (15%) of the number of qualified voters of the county who voted in the last preceding election for Governor, to the board of commissioners of the county of the proposed administrative area, who may fix the time for such election by resolution which shall be entered in the minutes of the board.

(b) Formal requests for elections on any of the questions specified in (a) above, or on the question of increasing the maximum annual rate of special taxes for the financial support of an institution with a properly established board of trustees, may be submitted to the tax levying authority only by such board of trustees.

(c) All formal requests for elections regarding the levy of special taxes shall state the maximum annual rate for which approval is to be sought in an election.

(d) Nothing in this section shall be construed to deny or limit the power of the tax levying authority of an institution to hold elections, of its own motion, on any or all the questions provided in this section, subject to the provisions herein. (1963, c. 448, s. 23.)

§ 115A-23. Elections on question of conversion of institutions and issuance of bonds therefor.—Whenever the board of trustees of an institution requests the State Board of Education to convert the institution from an industrial education center to a technical institute or community college, or from a technical institute to a community college, the Board may require, as a prerequisite to such conversion:

(1) The authorization by the voters of the administrative area of an annual levy of taxes within a specified maximum annual rate sufficient to provide the required local financial support for the converted institution, in an election held in accordance with the appropriate provisions of §§ 115A-20 and 115A-22.

(2) The approval by the voters of the administrative area of the issuance of bonds for capital outlay necessary for the conversion of the institution, in an election held in accordance with the appropriate provisions of §§ 115A-20 and 115A-22. (1963, c. 448, s. 23.)

§ 115A-24. Payment of expenses of special elections under chapter.—The cost of special elections held under the authority of this chapter in connection with the establishment of an institution shall be paid out of the general fund of the county or counties which shall conduct such elections. All special elections held on behalf of a duly established institution shall be paid by such institution and the expenses may be included in the annual institutional budgets. (1963, c. 448, s. 23.)

§ 115A-25. Authority to issue bonds and notes, to levy taxes and to appropriate nontax revenues. — Counties are authorized to issue bonds and notes and to levy special taxes to meet payments of principal and interest on such bonds or notes and to levy special taxes for the special purpose of providing local financial support of an institution and otherwise to appropriate nontax revenues for the financial support of an institution, in the manner and for the purposes provided in this chapter.

Taxes authorized by this section are declared to be for a special purpose and may be levied notwithstanding any constitutional limitation or limitations imposed by any general or special law. (1963, c. 448, s. 23.)

§ 115A-26. Student tuition and fees. — The State Board of Education may fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this chapter.

The receipts from all student tuition and fees, other than student activity fees,

shall be State funds and shall be deposited as provided by regulations of the State Board of Education. (1963, c. 448, s. 23.)

Cross Reference.—As to contracts by minors borrowing for higher education at junior colleges and industrial education centers, see § 116-174.1.

ARTICLE 4.

Budgeting, Accounting, and Fiscal Management.

§ 115A-27. Preparation and submission of institutional budgets.—On or before the first day of May of each year, the trustees of each institution shall prepare and submit a capital outlay budget and a current expense budget, on forms provided by the State Board of Education, and may prepare in their discretion a supplemental current expense budget. The budgets shall be prepared and submitted for approval according to the following procedures:

(1) Capital outlay budget: The budget shall contain the items of capital outlay, as provided in §§ 115A-18 and 115A-19, for which funds are requested, from whatever source. The budget shall be submitted first to the tax levying authority, which shall approve or disapprove, in whole or in part, that portion of the budget requesting local public funds. Upon approval by the tax levying authority, the budget shall be submitted by the trustees to the State Board of Education, which may approve or disapprove, in whole or in part, that portion of the budget requesting State or federal funds.

(2) Current expense budget: The budget shall contain the items of current operating expenses, as provided in §§ 115A-18 and 115A-19, for which funds are requested, from whatever source. The budget shall be submitted first to the tax levying authority, which shall approve or disapprove, in whole or in part, that portion of the budget requesting local public funds. Upon approval by the tax levying authority, the budget shall be submitted by the trustees to the State Board of Education, which may approve or disapprove, in whole or in part, the entire budget. The State Board is authorized to withhold the allocation of State funds to an institution until a budget has been submitted to and approved by the Board.

(3) Supplemental current expense budget: The budget may contain any items of the current expense budget to be financed from State or federal funds which the trustees desire to supplement with local funds. The tax levying authority shall approve or disapprove, in whole or in part, that portion of the budget requesting local public funds. An information copy of the budget as approved shall be filed with the State Board of Education.

(4) No public funds shall be provided an institution, either by the tax levying authority or by the State, except in accordance with the budget provisions of this chapter.

(5) The preparation of a budget for and the payment of interest and principal on indebtedness incurred on behalf of an institution shall be the responsibility of the county accountant or county accountants of the administrative area and the board of trustees of the institution shall have no duty or responsibility in this connection. (1963, c. 448, s. 23.)

§ 115A-28. Administration of institutional budgets for local public funds.—(a) Duty of boards of trustees: It shall be the duty of the board of trustees of each institution to pay all obligations incurred in the operation of the institution promptly and when due, and to this end boards of trustees shall inform the tax levying authority from month to month of any anticipated expenditures which will exceed the current collection of taxes and such balance as may be on hand, if any, for the payment of said obligations, in order that the tax levying

authority may make provision for the funds to be available. If a board of trustees shall willfully create a debt that shall in any way cause the expense of the year to exceed the amount authorized in the budget, without the approval of the tax levying authority, the indebtedness shall not be a valid obligation of the institution and the members of the board responsible for creating the debt may be held personally liable for the same.

(b) Duty of tax levying authorities: It shall be the duty of the tax levying authority of each institution to provide, as needed, the funds to meet the monthly expenditures, including salaries and other necessary operating expense, as set forth in a statement prepared by the board of trustees and in accordance with the approved budget. If the collection of taxes does not yield sufficient revenue for this purpose, it shall be the duty of the tax levying authority to borrow against the amount approved in the budget and to issue short term notes for the amount so borrowed in accordance with the provisions of the County Finance Act and the Local Government Act. The interest on all such notes shall be provided by the tax levying authority in addition to the amount approved in the budget, unless this item is specifically included in the budget. (1963, c. 448, s. 23.)

§ 115A-29. Payment of State and local public funds to boards of trustees.—(a) The State Board of Education may deposit funds in the State treasury to the credit of each institution in monthly installments, at such time and in such manner as may be necessary to meet the needs of the institution, or the Board may disburse State funds to each institution under policies and regulations established by the board. Prior to the deposit or disbursement of State funds by the Board it shall be the duty of the board of trustees of each institution to file, on or before the first day of each month, with the State Board of Education a certified statement, on forms provided by the State Board of Education, of all expenditures, salaries, and other obligations that may be due and payable in the next succeeding month.

(b) Upon the basis of an approved budget, the county auditors or accountants of all counties of the administrative area of an institution shall determine the proportion of taxes, nontax revenues and other funds accruing to the current expense and capital outlay budgets of the institution and shall credit these funds to the institution as they are collected. The county treasurer or corresponding official of each county shall remit promptly at the end of each month all funds collected for current expenses and capital outlay, except bond funds, to the board of trustees of the institution.

In the event that a greater amount is collected and paid to the board of trustees of an institution than is authorized by its approved budgets for current expenses and capital outlay, the excess shall remain an unencumbered balance to be credited proportionally to those funds in the following fiscal year, and such excess shall not be spent, committed, or obligated unless the budget is revised with the approval of the board of trustees and the tax levying authority.

(c) Funds received by the trustees of an institution from insurance payments for loss or damage to buildings shall be used for the repair or replacement of such buildings or, if the buildings are not repaired or replaced, to reduce proportionally the institutional indebtedness borne by the counties of the administrative area of the institution receiving the insurance payments. If such payments which are not used to repair or replace institutional buildings exceed the total institutional indebtedness borne by all counties of the administrative area, such excess funds shall remain to the credit of the institution and be applied to the next succeeding capital outlay budgets until the excess fund shall be expended. Funds received by the trustees of an institution for loss or damage to the contents of buildings shall be divided between the board of trustees and the State Board of Education in proportion to the value of the lost contents owned by the board of trustees and the State, respectively. That portion retained by the trustees shall be applied

to the repair or replacement of lost contents or shall remain to the credit of the institution to be applied to the next succeeding capital outlay and current expense budgets, as appropriate, until such funds shall be expended. (1963, c. 448, s. 23.)

§ 115A-30. Disbursement of institutional funds.—Public funds provided for an institution shall be paid out as follows:

(1) State funds: All State funds received by or deposited to the credit of an institution shall be disbursed only upon warrants drawn on the State Treasurer and signed by two employees of the institution who shall have been designated by the board of trustees and who shall have been approved by the State Board of Education. Such funds may be disbursed in any other manner provided by regulations of the State Board of Education.

(2) Local funds: All local public funds received by or credited to an institution shall be disbursed on warrants signed by two employees of the institution who shall have been designated by the board of trustees and who shall have been approved by the State Board of Education. Such warrants shall be countersigned by the appropriate county officer or officers as provided by law, but only if the funds required by such warrant are within the amount of funds remaining to the credit of the institution and are within the unencumbered balance of the appropriation for the item of expenditure according to the approved budgets of the institution: Provided, that in lieu of countersignature by the county officer or officers as provided by law, the board of county commissioners which appropriated the local public funds may from time to time, with the approval of the board of trustees of the institution, designate an employee of the institution to countersign the warrants, and the employee so designated shall countersign a warrant only if the funds required by such warrant are within the amount of funds remaining to the credit of the institution and are within the unencumbered balance of the appropriation for the item of expenditure according to the approved budgets of the institution. Each warrant shall be accompanied by an invoice, statement, voucher, or other basic document which indicates to the satisfaction of the countersigning county officer or officers that the issuance of such warrant is proper. (1963, c. 448, s. 23; 1965, c. 488, s. 2.)

Local Modification. — Duplin County: 1965, c. 961, s. 1.

Editor's Note. — The 1965 amendment inserted the proviso in subdivision (2).

§ 115A-31. Purchase of equipment and supplies.—It shall be the duty of the several boards of trustees to purchase all supplies, equipment, and materials in accordance with contracts made by or with approval of the North Carolina Department of Administration. No contract shall be made by any board of trustees for purchases unless provision has been made in the budget of the institution to provide payment therefor, and in order to protect the State purchase contracts, it is the mandatory duty of the board of trustees and administrative officers of each institution to pay for such purchases promptly in accordance with the contract of purchase. (1963, c. 448, s. 23.)

§ 115A-32. Audits of institutional accounts.—The State Auditor shall be responsible for conducting annually a thorough post audit of the receipts, expenditures, and fiscal transactions of each institution.

The annual audits shall be completed as near to the close of the fiscal year as practicable and copies of each audit shall be filed with the chairman of the board of trustees, the executive head of the institution, the county auditor of each county of the administrative area, the State Board of Education, and the Director of the Local Government Commission. (1963, c. 448, s. 23.)

§ 115A-33. Surety bonds.—The State Board of Education shall determine what State employees and employees of institutions shall give bonds for the protection of State funds and property and the Board is authorized to place the bonds and pay the premiums thereon from State funds.

The board of trustees of each institution shall require all institutional employees authorized to draw or approve checks or vouchers drawn on local funds, and all persons authorized or permitted to receive institutional funds from whatever source, and all persons responsible for or authorized to handle institutional property, to be bonded by a surety company authorized to do business in this State in such amount as the board of trustees deems sufficient for the protection of such property and funds. The tax levying authority of each institution shall provide the funds necessary for the payment of the premiums on such bonds. (1963, c. 448, s. 23.)

§ 115A-34. Fire and casualty insurance on institutional buildings and contents.—(a) The board of trustees of each institution, in order to safeguard the investment in institutional buildings and their contents, shall

(1) Insure and keep insured each building owned by the institution to the extent of the current insurable value, as determined by the insured and insurer, against loss by fire, lightning, and the other perils embraced in extended coverage; and

(2) Insure and keep insured equipment and other contents of all institutional buildings that are the property of the institution or the State or which are used in the operation of the institution.

(b) The tax levying authority of each institution shall provide the funds necessary for the purchase of the insurance required in (a) above.

(c) Boards of trustees may purchase insurance from companies duly licensed and authorized to sell insurance in this State or may obtain in urance in accordance with the provisions of article 16, chapter 115, of the General Statutes, "State Insurance of Public School Property." (1963, c. 448, s. 23.)

§ 115A-35. Liability insurance; tort actions against boards of trustees.—(a) Boards of trustees may purchase liability insurance only from companies duly licensed and authorized to sell insurance in this State. Each contract of insurance must by its terms adequately insure the board of trustees against any and all liability for any damages by reason of death or injury to person or property proximately caused by the negligence or torts of the agents and employees of such board of trustees or institution when acting within the scope of their authority or the course of their employment. Any company which enters into such a contract of insurance with a board of trustees, by such act waives any defense based upon the governmental immunity of such board.

(b) Any person sustaining damages, or in case of death, his personal representative, may sue a board of trustees insured under this section for the recovery of such damages in any court of competent jurisdiction in this State, but only in a county of the administrative area of the institution against which the suit is brought; and it shall be no defense to any such action that the negligence or tort complained of was in pursuance of a governmental, municipal, or discretionary function of such board of trustees, to the extent that such board is insured as provided by this section.

(c) Nothing in this section shall be construed to deprive any board of trustees of any defense whatsoever to any action for damages, or to restrict, limit, or otherwise affect any such defense; and nothing in this section shall be construed to relieve any person sustaining damages or any personal representative of any decedent from any duty to give notice of such claim to the board of trustees or commence any civil action for the recovery of damages within the applicable period of time prescribed or limited by law.

(d) No part of the pleadings which relate to or allege facts as to a defendant's insurance against liability shall be read or mentioned in the presence of the trial jury in any action brought pursuant to this section. Liability shall not attach unless the plaintiff shall waive the right to have all issues of law and fact relating to insurance in such action determined by a jury, and such issues shall be heard and determined by the judge without resort to a jury and the jury shall be absent during any motions, arguments, testimony or announcements of findings of fact or conclusions of law with respect thereto, unless the defendant shall request jury trial thereon.

(e) The board of trustees of all institutions in this chapter are authorized to pay as a necessary expense the lawful premiums of liability insurance provided in this section. (1963, c. 448, s. 23.)

ARTICLE 5.

Special Provisions.

§ 115A-36. Authorization for transfer of State appropriations. — (a) Upon transferal of the administration and operation of industrial education centers from the State public school system to the provisions of this chapter, and upon request from the State Board of Education, the Director of the Budget, with the approval of the Advisory Budget Commission, is authorized to transfer funds appropriated to the State Board of Education for the support of industrial education centers under the title of "Vocational Education" to appropriation accounts established for the support of the institutions provided in this chapter.

(b) Upon transferal of the administration and operation of a community college from the provisions of article 3, chapter 116, of the General Statutes of North Carolina, to the provisions of this chapter, and upon request of the State Board of Education, the Director of the Budget, with the approval of the Advisory Budget Commission, is authorized to transfer funds appropriated to the Department of Administration under the title of "Community Colleges" to appropriation accounts established for the support of the institutions provided in this chapter. (1963, c. 448, s. 23.)

§ 115A-37. Multiple county administrative areas. — Should two or more counties determine to form an administrative area for the purpose of establishing and supporting an institution, the boards of commissioners of all such counties shall jointly propose a contract to be submitted to the State Board of Education as part of the request for establishment of an institution. The contract shall provide, in terms consistent with this chapter, for financial support of the institution, selection of trustees, termination of the contract and the administrative area, and any other necessary provisions. The State Board of Education shall have authority to approve the terms of the contract as a prerequisite for granting approval of the establishment of the institution and the administrative area. (1963, c. 448, s. 23.)

§ 115A-38. Special provisions for Central Piedmont Community College. — (a) As soon as practicable in accordance with the provisions of § 115A-4, transferal shall be made of the administration and operation of Mecklenburg College and Charlotte Central Industrial Education Center from their respective administrative boards to a single board of trustees selected as provided in § 115A-7 (a). The two institutions shall thereafter constitute the Central Piedmont Community College, which shall be operated in accordance with the provisions of this chapter as a single institution.

(b) The board of commissioners of Mecklenburg County is authorized to provide the local financial support for the Central Piedmont Community College as provided in § 115A-19 by levying a special tax to a maximum annual rate equal

to the maximum rate last approved by the voters of the county for the support of the Central Piedmont Community College as operated pursuant to article 3, chapter 116, of the General Statutes of North Carolina, or by appropriations from nontax revenues, or by both. The question of increasing the maximum annual rate may be submitted at an election held in accordance with the provisions of § 115A-20 (d) and the appropriate provisions of § 115A-22.

(c) When, in the opinion of the board of trustees of said institution, the use of any building, building site, or other real property owned or held by said board is unnecessary or undesirable for the purposes of said institution, the board of trustees may sell, exchange, or lease such property in the same manner as is provided by law for the sale, exchange, or lease of school property by county or city boards of education. The proceeds of any such sale or lease shall be used for capital outlay purposes. (1963, c. 448, s. 23; 1965, c. 402.)

Editor's Note. — The 1965 amendment substituted "Central Piedmont Community College" for "Charlotte Community College System" throughout subsections (a) and (b) and added subsection (c).

ARTICLE 6.

Textile Training School.

§ 115A-39. Creation of board of trustees; members and terms of office; no compensation.—The affairs of the North Carolina Vocational Textile School shall be managed by a board of trustees composed of six members, who shall be appointed by the Governor, and the State Director of Vocational Education as ex officio member thereof. The terms of office of the trustees appointed by the Governor shall be as follows: Two of said trustees shall be appointed for a term of two years; two for three years; and two for four years. At the expiration of such terms, the appointments shall be made for periods of four years. In the event of any vacancy on said boards, the vacancy shall be filled by appointment by the Governor for the unexpired term of the member causing such vacancy. The members of the said board of trustees appointed by the Governor shall serve without compensation. The re-enactment of this section shall not have the effect of vacating the appointment or changing the terms of any of the members of said board of trustees heretofore appointed. (1955, c. 1372, art. 27, s. 1; 1963, c. 448, s. 30.)

Editor's Note. — This article formerly appeared as §§ 115-236 to 115-239. It was transferred to its present position by Session Laws 1963, c. 448, s. 30, effective July 1, 1963.

§ 115A-40. Powers of board.—The said board of trustees shall hold all the property of the North Carolina Vocational Textile School and shall have the authority to direct and manage the affairs of said school, and within available appropriations therefor, appoint a managing head and such other officers, teachers and employees as shall be necessary for the proper conduct thereof. The board of trustees, on behalf of said school, shall have the right to accept and administer any and all gifts and donations from the United States government or from any other source which may be useful in carrying on the affairs of said school. Provided, however, that the said board of trustees is not authorized to accept any such funds upon any condition that the said school shall be operated contrary to any provision of the Constitution or statutes of this State. (1955, c. 1372, art. 27, s. 2; 1963, c. 448, s. 30.)

§ 115A-41. Board vested with powers and authority of former boards.—The board of trustees acting under authority of this article is vested with all the powers and authority of the board created under authority of chapter 360 of the Public Laws of 1941, and the board created under authority of chap-

ter 806 of the Session Laws of 1945. (1955, c. 1372, art. 27, s. 3; 1963, c. 448, s. 30.)

§ 115A-42. Persons eligible to attend institution; subjects taught. —Persons eligible for attendance upon this institution shall be at least sixteen years of age and legal residents of the State of North Carolina: Provided, that out-of-state students, not to exceed ten per cent (10%) of the total enrollment, may be enrolled when vacancies exist, upon payment of tuition, the amount of tuition to be determined by the board of trustees. The money thus collected is to be deposited in the treasury of the North Carolina Vocational Textile School, to be used as needed in the operation of the school. The institution shall teach the general principles and practices of the textile manufacturing and related subjects. (1955, c. 1372, art. 27, s. 4; 1963, c. 448, s. 30.)

The following amendment to G.S. 115A was made by the 1967 General Assembly and will be included in the next printing of Chapter 115A:

> Section 115A-5 of the General Statutes of North Carolina is amended by inserting between the second and third paragraphs of this section a new paragraph to read as follows:
>
> > "The State Board of Education is authorized to enter into agreements with county and city boards of education, upon approval by the Governor and the Advisory Budget Commission, for the establishment and operation of extension units of the Community College system. The State Board is further authorized to provide the financial support for operating and equipping extension units as provided in this chapter for other institutions, subject to available funds."